FINORE MINING INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

December 31, 2015

BACKGROUND

The following information, prepared as of July 18, 2016, should be read in conjunction with the audited financial statements and accompanying notes of Finore Mining Inc. (the "Company") for the year ended December 31, 2015 and 2014. The audited financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

During the year ended December 31, 2015, the Company's critical accounting estimates and significant accounting policies have remained substantially unchanged and are still applicable to the Company unless otherwise indicated. All amounts are expressed in Canadian dollars unless noted otherwise.

The risk factors identified in previous management's discussion and analysis (the "MD&A") have also remained substantially unchanged but the risk factor of future financings has assumed a greater importance to the Company in view of the current economic climate and stock market volatility. Management has assessed and will continue to address the implications of recent events in order to ensure that the Company can continue to achieve its long term objectives.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in the foregoing MD&A constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth below.

DESCRIPTION OF BUSINESS

The Company was incorporated on November 29, 2006 pursuant to the *Business Corporations Act*, British Columbia. The Company's principal business activity is the exploration of mineral properties. The Company was listed for trading on the Canadian National Stock Exchange (the "CNSX") since February 4, 2008 under the trading symbol "OTB". On September 26, 2011, the Company changed its name to Finore Mining Inc. and the Company's common shares began trading under the new symbol of "FIN". On April 9, 2012, the Company's shares have commenced trading in the United States on the OTC market's tier, OTCQX International under the symbol of "FNREF". Effective January 1, 2014, the Company's shares ceased trading on the OTC market.

Pursuant to the approval by its shareholders of a share consolidation at its annual general meeting of its shareholders ("AGM") held on May 23, 2014, the Company's board of directors, on June 16, 2014, proceeded with a consolidation of the issued and outstanding common shares of the Company on the basis of a one (1) post-consolidated Common Share for each ten (10) pre-consolidation Common Shares. All comparable data has been adjusted for the aforementioned consolidation.

The Company is a junior mineral exploration company engaged in the acquisition and exploration of strategic mineral properties. The Company is primarily engaged in the exploration for, and the development of, mineral properties with gold, copper, nickel, and other mineral. The Company may take advantage of other mineral projects as opportunities arise.

On August 24, 2011, the Company entered into an option agreement with Nortec Minerals Corp ("Nortec"). The option agreement gave the Company the option to earn up to an 80% interest in Nortec's Läntinen Koillismaa ("LK") project, a palladium-platinum–gold–copper-nickel property, located in north central Finland. However, on September 10, 2012, the Company entered into an amendment to the option agreement (the "Nortec Option Amendment"), whereby Nortec has granted the Company the right to acquire 70% interest in the Läntinen

Koillismaa Project by: a) issuing additional 27,000,000 shares of the Company (issued); b) paying in full amount owed by the Company on account of the conduct of exploration work within 60 days from the date of the Nortec Option Amendment; and c) granting Nortec the right to nominate two persons for appointment or election to the Company's board of director.

On February 19, 2013, the Company entered into a second amendment agreement (the "Second Amendment Agreement") with Nortec, whereby Nortec and the Company agreed to such amendments that the Company has the sole and exclusive right and option to earn 100% interest in and to the Läntinen Koillismaa Project for, among other things, 4,100,000 shares of the Company.

Effective May 14, 2014, the Company acquired a 100% interest in the Läntinen Koillismaa Project from Nortec through the acquisition of Nortec Minerals OY ("NMO"), the subsidiary that holds title to the LK property. Finore has made the final payment to Nortec, comprised of 91,771 shares in Finore, pursuant to Second Amendment Agreement. These shares were issued on May 6, 2014. As at December 31, 2015, Nortec holds a total of 8,614,492 (2014: 8,614,492) shares of the Company which equates to a 34% interest (2014: 54%).

The LK Property is located in north central Finland, 660km north of the capital Helsinki, 65km south of the Arctic Circle, and covers approximately 3750 hectares. The project is well serviced by power, water and roads affording all season access and development. The LK Project consists of the Kaukua, Murtolampi, Haukiaho and Haukiaho East Zones. Nortec carried out over 10,000 metres of diamond core drilling on the Kaukua Zone since 2007 and over 7,000 metres of historical diamond drilling was performed on the Haukiaho Zone since the 1960's.

QUALIFIED PERSON

All disclosure of scientific or technical information, including disclosure of a mineral resource or mineral reserve, concerning a mineral project on a property material to the issuer must be based upon information prepared by or under the supervision of a qualified person.

Mohan Vulimiri, Director is the Qualified Person for the Company.

CHANGES IN MANAGEMENT

During the years ended December 31, 2015 and 2014,

On December 3, 2014, David Eaton and David Velisek resigned as directors of the Company. Brett Kagetsu was appointed a director of the Company to be effective immediately.

On January 8, 2015, James McKenzie was appointed a director of the Company.

On March 19, 2015, Mr. Gerhard Merkel was appointed a director of the Company.

On July 4, 2016, Mr. Brett Kagetsu resigned as a director of the Company

The Company's Board of Directors now consists of following: Peter Tegart, Mohan Vulimiri, James McKenzie and Gerhard Merkel.

OVERALL PERFORMANCE

The following discussion of the Company's financial performance is based on the audited financial statements for year ended December 31, 2015 and 2014.

As at December 31, 2015, the Company had cash of $32,050 (December 31, 2014 - $10,182). Total current assets amount to $43,868 (December 31, 2014 - $23,251).

Current liabilities at December 31, 2015 total $424,729 (December 31, 2014 - $359,059). Shareholders' equity is comprised of share capital of $16,981,663 (December 31, 2014 - $16,703,563), reserves of $1,840,049 (December 31, 2014 - $1,834,032) and a deficit of $7,970,040 (December 31, 2014 - $7,835,569) for a net amount of $10,851,672 (December 31, 2014 - $10,702,026).

On June 5, 2015, the Company closed a non-brokered private placement consisting of the issuance of 9,270,000 units of the Company at a price of $0.03 per unit for gross proceeds of $278,100. Each unit is comprised of one common share of the Company and one common share purchase warrant, and each warrant entitles the holder to purchase one additional common share of the Company at $0.08 per warrant share for the first two years after the date of issue, and at an exercise price of $0.10 per warrant share during the third year after the date of issue. The Company paid a commission comprised of 267,750 units in connection with a portion of the private placement.

During the year ended December 31, 2015, the Company reported a net loss of $10,489,839 ($0.49 basic and diluted loss per share) compared to a net loss of $123,872 ($0.01 basic and diluted loss per share) reported for the year ended December 31, 2014.

RESULTS OF OPERATIONS

During the year ended December 31, 2015, the Company incurred a net loss of $10,489,839 (year ended December 31, 2014 - $123,872) The net loss of $10,489,839 was mainly due to impairment of exploration and evaluation assets of $10,355,368 (year ended December 31, 2014 - $90,370) related to the corporate finance advisory, marketing and IT consulting services provided by consultants of the Company. This increase was partially offset by decrease in professional fees: $25,190 (year ended December 31, 2014 - $28,674). The Company recorded a gain on foreign exchange $11,809 (year ended December 31, 2014 - $684) and a gain on debt settlement of $nil (year ended December 31, 2014 - $37,500).

Due to the Company being in the exploration stage, management foresees further increases in the Company's expenses during the coming year resulting from its exploration activities. These expenses are contingent upon the Company's ability to fund these projects through private placements and other forms of financing. In the event that the Company does not receive the required funding, management will review all on-going expenditures and take appropriate actions to remedy the funding shortage.

SELECTED ANNUAL INFORMATION

The following table sets out selected financial information derived from the Company's audited financial statements for the most recently completed financial years:

	Year Ended	**Year Ended**	**Period Ended**
	December 31, 2015 $	**December 31, 2014 $**	**December 31, 2013 $**
OPERATIONS			
Revenue	N/A	N/A	N/A
Operating Loss	(122,622)	(160,688)	(194,514)
Other income	N/A	N/A	N/A
Basic and diluted loss per share	(0.49)	(0.01)	(0.01)
BALANCE SHEET			
Working capital (deficiency)	(380,861)	(335,805)	(24,302)
Total assets	921,033	11,061,082	10,990,140

During the year ended December 31, 2015, the Company incurred a net loss of $10,489,839 ($0.49 basic and diluted loss per share) compared to a net loss of $123,872 ($0.01 basic and diluted loss per share) for the year ended December 31, 2014.

Results of Operations

Years ended December 31, 2015 and 2014

During the year ended December 31, 2014, the Company had a net loss of $10,489,839 compared to $123,872 for the year ended December 31, 2014. The primary driver to this increase in loss in the amount of $10,365,967 is the Impairment of Exploration and Evaluation assets of $10,355,368 (2014:nil) decrease in gain settlement from $37,500 in the prior year compared to $nil recognized in the year ended December 31, 2015. The other main driver for the increase in loss is that the foreign exchange loss was $11,809 for the year ended December 31, 2015 compared to loss of $684 for the year ended December 31, 2014.

Other major cost components as listed below:

- Consulting fees of $71,101 for the year ended December 31, 2015 compared to $90,370 for the year ended December 31, 2014;
- Foreign exchange loss increased from $684 to $11,809 for the year ended December 31, 2015 compared to the year ended December 31, 2014;
- The Company recognized a gain of $nil on debt settlement for the year ended December 31, 2015 as compared to a gain of $37,500 for the 3 months ended December 31, 2014.

Three Months Ended December 31, 2015 and 2014

During the 3 months ended December 31, 2015, the Company had a net loss of $10,409,751 compared to $110,862 for the 3 months ended December 31, 2014. The primary driver to this decrease in loss in the amount of $10,298,889 is the impairment exploration and evaluation of 10,355,368 (2014: nil) and the significant decrease on foreign exchange loss of $63,563 occurring in the 3 months ended December 31, 2015.

The major expense categories included in general and administrative expenses are as follows:

- Professional fees of $25,190 for the 3 months ended December 31, 2015 compared to $20,844 for the 3 months ended December 31, 2014, an increase of $4,346;
- Foreign exchange loss decreased from $69,746 for the 3 months ended December 31, 2014 to $6,183 for the 3 months ended December 31, 2015;
- Total general and administrative expenses declined from $78,529 for the 3 months ended December, 31, 2014 to $48,160 for the 3 months ended December 31, 2015.

SUMMARY OF QUARTERLY RESULTS

The following table presents unaudited selected financial information for each of the last eight quarters:

	Summary of Quarterly Results							
	2015				2014			
	December 31, 2015	Qtr 3	Qtr 2	Qtr 1	December 31, 2014	Qtr 3	Qtr 2	Qtr 1
	$	$	$	$	$	$	$	$
Revenue	-	-	-	-	-	-	-	-
Net (Loss) Income	(10,409,751)	(21,175)	(27,013)	(31,900)	(110,860)	(18,506)	33,277	(27,783)
Basic and diluted (loss) per share	(0.49)	0.00	0.00	0.00	(0.01)	0.00	0.00	0.00

MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES

Läntinen Koillismaa Mineral Claims, North-eastern Finland

Balance December 31, 2013	**$**	**10,745,589**
Acquisition costs		1
Exploration costs		
Camp expenses		18,680
Consulting - geological		5,250
Project administration and general		11,507
Landowner costs		105,151
Professional fees		59,426
Professional fees – legal		89,593
Balance December 31, 2014	**$**	**11,035,197**
Exploration costs		
Landowner costs		110,330
Professional fees – legal		51,200
Professional fees – accounting		10,065
Camp expenses		19,065
Project administration and general		4,511
Impairment of E & E Assets		(10,355,368)
Balance December 31, 2015	**$**	**875,000**

On July 21, 2011, the Company entered into a binding letter of intent with Nortec Minerals Corp. ("Nortec"), whereby Nortec will grant the Company the right to acquire up to an undivided 80% interest in the Läntinen Koillismaa Project (the "Project"). The binding letter of intent was replaced and superseded by the option agreement with Nortec (the "Nortec Option Agreement") dated August 24, 2011. The effective date of the Nortec Option Agreement is September 6, 2011 (the "Effective Date"), which is the date the CSE accepted the filing of the option agreement. On September 7, 2011, the Company issued 185,000 common shares at $4.50 per share for a total of $832,500 as finder fees in connection with the option.

On September 10, 2012, the Company entered into an amendment to the Nortec Option Agreement (the "Nortec Option Amendment"), whereby Nortec has granted the Company the right to acquire 70% interest in the Project by: a) issuing an additional 2,700,000 shares of the Company (issued at a value of $3,240,000); b) paying in full amount owed by the Company on account of the conduct of exploration work within 60 days from the date of the Nortec Option Amendment (full amount not paid on time); and c) granting Nortec the right to nominate two persons for appointment or election to the Company's board of directors. As the result, the remaining outstanding option obligations under the Nortec Option Agreement were not fulfilled.

On February 19, 2013, the Company entered into a second amendment agreement (the "Second Amendment Agreement") with Nortec, whereby Nortec and the Company agreed to such amendments that the Company has the sole and exclusive right and option to earn 100% interest in and to the Project for, among other things, 4,100,000 shares of the Company. On February 19, 2013, the Company issued 4,100,000 shares valued at $1,025,000 to Nortec. As at December 31, 2013, Nortec holds a total of 8,322,721 shares of the Company which equates to a 54% interest.

Effective May 6, 2014, the Company acquired a 100% interest in the Läntinen Koillismaa Project from Nortec through the acquisition of Nortec Minerals OY ("NMO"), the subsidiary that holds title to the LK property. Finore has made the final payment to Nortec, comprised of 91,771 shares in Finore, pursuant to Second Amendment Agreement. As at December 31, 2015, Nortec holds a total of 8,614,492 shares of the Company which equates to a 34% interest (December 31, 2014: 54%)

Due to unfavourable market conditions, the Company has determined that there was an indicator of impairment in relation to the LK Property and therefore has assessed if the value of the Property is required to be impaired. During the year ended December 31, 2015, the Company wrote down the carrying value of the LK Property from $11,230,368 to $875,000 and recognized an impairment loss of $10,355,368.

The recoverable amount of $875,000 is based on LK Property's fair value less cost of disposal. The Company's shares were issued/traded subsequent to year end in sufficient quantity with a constant price to reasonably value the recoverability of the Company's sole significant asset, the LK Property, and was further adjusted for subsequent property transactions.

The property is located in north central Finland, 660km north of the capital Helsinki, 65km south of the Arctic Circle, and covers approximately 3750 hectares. The project is well serviced by power, water and roads affording all season access and development. The LK Project consists of the Kaukua, Lipeävaara, Murtolampi, Haukiaho and Haukiaho East Zones. Nortec carried out over 10,000 metres of diamond core drilling on the Kaukua Zone since 2007 and over 7,000 metres of historical diamond drilling was performed on the Haukiaho Zone since the 1960's. The Company has completed 10,775 metres of diamond core drilling. A total of 20,775 metres of drilling was completed on the property to-date.

Information to date shows that that the Properties have the potential to host several large - tonnage PGE+Au-Cu-Ni deposits amenable to low cost open pit mining methods.

Preliminary metallurgical test work on a blended representative composite of ore types concludes that conventional rougher flotation yielded substantial recoveries of over 80% PGE + Au, associated with recoveries of over 93% for Cu and 51% for Ni. The recoveries appear to be somewhat dependent on the host rock composition. Cleaning this concentrate, again using conventional flotation means, produced a product assaying 16% Cu + Ni and 60 grams/tonne PGE + Au. Although this is not yet confirmed, a concentrate of this grade should be attractive to nickel and PGM smelters, especially given the low value of 4% Magnesium Oxide (MgO). This also means that the initially planned PLATSOL™ process for higher recoveries of PGE metals may now not be required. This will help lower the processing costs, simplify the project and reduce the technical risk of the project as a whole.

Further metallurgical work being planned:

1. Optimization work for cleaner concentrate, with the addition of various amounts of the relevant reagents.
2. Tests and analysis to identify any other PGE associated metals like Rhodium and Iridium.
3. Marketing studies for the sale ability of concentrate.

In comparison to other PGE + Au and Ni-Cu deposits, the concentrate from the LK Project has a much higher ratio of precious and base metals, producing a very high unit value per tonne of concentrate. This also favourably impacts infrastructure and transportation costs.

In September 2013, the Company completed the updated NI 43-101-compliant technical report containing the mineral resource estimate for the LK Project. The NI 43-101 report is available on SEDAR under the Company's profile. The Technical Report, entitled "A Technical Report on the Läntinen Koillismaa Project, Finland For Finore Mining Inc.", was prepared by Mining Plus Canada Consulting Ltd. ("MP Consulting"), an accredited international mining consulting corporation. The report complies with the NI 43-101 guidelines.

Claim fees for the Läntinen Koillismaa Project have been paid in full for the year 2015 and the property is in good standing.

Highlights from the Mining Plus's NI 43-101 Technical Report:

Summary of Mineral Resource Estimates for LK Project at a cut-off grade of O.1 g/t Palladium

Kaukua Deposit (Main Zone)

Category	Tonnage Mt	Pd g/t	Pt g/t	Au g/t	Cu %	Ni** %
Indicated	10.4	0.73	0.26	0.08	0.15	0.1
Inferred	13.2	0.63	0.22	0.06	0.13	0.1

Haukiaho Deposit (Melarame, Torkoaho and West Torkoaho zones)

Category	Tonnage Mt	Pd g/t	Pt g/t	Au g/t	Cu %	Ni **%
Inferred	23.2	0.31	0.12	0.10	0.21	0.14

***Ni is the total Nickel content*

A sharp boundary at a cut-off of 0.1 g/t Palladium was interpreted as the waste contact. The high correlation for Platinum and Palladium means that both metals can be used for defining the geometry of mineralization for the Kaukua and Haukiaho deposits.

It is interesting to note that the grade is continuous along the strike of both deposits. At higher cut-off grades of 0.2 g/t Palladium for Haukiaho and 0.3 g/t Palladium for Kaukua the total resource estimates do not change significantly.

The intended use of the technical report for Finore, includes filing with securities regulators to support public disclosure, pursuant to Canadian provincial securities legislation, and, where required to comply with Finore`s Finnish reporting obligations as an SEC filer including disclosure on SEDAR and, if Finore chooses to do so, to support the requirements of the multiple listing applications of Finore to other stock exchanges, in addition to its current listing on Canadian Securities Exchange ("CSE").

Both ALS Chemex, based in Outokumpu, Finland and Labtium Oy, based in Rovaniemi, Finland conducted the preparation and analytical work, as well as check sampling of drill core samples from the Phase V drill program. The samples are analysed for Pt, Pd and Au by lead fire assay (30g nominal charge) with an Inductively Coupled Plasma Atomic Emission Spectroscopy ("ICP- AES") finish. A multi-element suite of 35 elements including Cu and Ni are analysed by aqua regia digestion with also an ICP-AES finish. Ore Grade analyses are carried out on any results for Cu and Ni that are over the upper detection limit. The Company used alternately Labtium and ALS Chemex for check sampling and QAQC purposes along with select analyses of Nickel rich zones to determine the sulphide nickel values with respect to the total Nickel values.

The Company's QAQC program includes the regular insertion of blanks, multiple certified assay standards and duplicate samples into the sample shipments. These QC samples are inserted every 10 samples within every assay batch. Regular monitoring of these QC samples is a critical part of the Finore's QAQC protocols

LIQUIDITY AND CAPITAL RESOURCES

The Company has financed its operations to date through the issuance of common shares. The Company will continue to seek capital through the issuance of common shares and/or debt. The Company's operating, investing and financing activities for the year ended December 31, 2015 resulted in a net increase in cash of $21,868. As at December 31, 2015, the Company's current assets include cash of $32,050, prepaid expenses of $4,509 and receivables of $7,309. The Company's current liabilities include accounts payable and accrued liabilities of $424,729

	As at December 31, 2015	As at December 31, 2014
Working capital (deficiency)	$(380,861)	$(335,805)
Deficit	$18,325,408	$7,835,569

The Company will continue to require funds for future property acquisitions and exploration work as well as to meet its ongoing day-to-day operating requirements and will have to continue to rely on equity and debt financing. The Company's capital resources are largely determined by the strength of the junior resource markets and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support of its projects. There can be no assurance that financing, whether debt or equity, will always be available to the Company in the amount required at any particular period or if available, that it can be obtained on terms satisfactory to the Company.

On June 22, 2016, the Company issued 10,000,000 units at $0.02 per unit for proceeds of $200,000. Each unit consists of one common share of the Company and one common share purchase warrant, exercisable at $0.05 for the first two years from grant date and $0.10 during the third year. Associated with the private placement, the Company issued 17,500 units, valued at $350, as finders' fees. There has been no value attributed to the warrants issued.

OFF BALANCE SHEET ARRANGEMENTS

To the best of management's knowledge, there are no off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company.

RELATED PARTY TRANSACTIONS

Key management personnel includes senior officers and directors of the Company.

Compensation to key management personnel is as follows:

	Year Ended December 31, 2015	Year Ended December 31, 2014
Consulting fees – key management personnel	$ 43,850	$ 62,250

Other related party compensation is as follows:	Year Ended December 31, 2015	Year Ended December 31, 2014
Consulting fees – other	$ 13,200	$ 11,400

a) During the year ended December 31, 2015, the Company received and repaid a short-term loan, non-interest bearing, loan of $160,000 from a director of the Company.

b) During the year ended December 31, 2014, the Company settled $75,000 of debt with directors and companies controlled by directors of the Company by issuing 375,000 common shares at $0.10 per share and by recording a gain on debt settlement of $37,500.

Accounts payables and accrued liabilities of the Company include the following amounts due to related parties:

	December 31, 2015	December 31, 2014
Key management personnel	$ 83,293	$ 48,873

Other related parties	$	65,878	$	52,678
	$	149,171	$	101,551

PROPOSED TRANSACTIONS

The Company does not currently have any proposed transactions approved by the Board of Directors. All current transactions are fully disclosed in the audited financial statements for the period ended December 31, 2015.

SIGNIFICANT ACCOUNTING POLICIES AND CRITIAL ACCOUNTING ESTIMATES

All significant accounting policies are fully disclosed in Note 2 of the audited financial statements for the year ended December 31, 2015 and 2014.

FINANCIAL INSTRUMENTS

The Company's financial instruments are exposed to certain financial risks, including credit risk, interest risk, liquidity risk, and foreign exchange rate risk.

(a) Credit risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to its cash and cash equivalents balances. The Company manages its credit risk on bank deposits by holding deposits in high credit quality banking institutions in Canada. The Company does not have any asset-backed commercial paper included in cash. Management believes that the credit risk with respect to receivables is remote.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the cash is limited because of its short-term investment nature.

(c) Foreign Exchange Rate Risk

The Company has certain consulting fees and exploration and evaluation assets that are denominated in US dollars, European Euros, Pounds Sterling, and other operating expenses that are mainly in Canadian dollars. The Company's exposure to foreign currency risk arises primarily on fluctuations between the Canadian dollar, the US dollar, European Euro and Pounds Sterling. The exposure to foreign exchange rate risk is considered low. The Company has not entered into any derivative instruments to manage foreign exchange fluctuations.

At December 31, 2015 and 2014, the Company's US dollars, and European Euros denominated monetary assets and liabilities are as follows:

	December 31, 2015		December 31, 2014	
Monetary Assets				
Cash	EURO €	626	EURO €	6,989
Receivables	EURO €	904	EURO €	1,535

	December 31, 2015		December 31, 2014	

Monetary Liabilities				
Account payables and accrued liabilities	USD $	4,116	USD $	4,116
	EURO €	64,052	EURO €	79,448

(d) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient capital to meet liabilities when due after taking into account the Company's holdings of cash that might be raised from equity financings. The Company is exposed to liquidity risk.

New Standards, Interpretations and Amendments Adopted

As of January 1, 2015, the Company adopted the new and amended IFRS pronouncements in accordance with transitional provisions outlined in the respective standards. The Company has adopted the following new standards without any significant effect on its financial statements.

IAS 36 – Impairment of Assets ("IAS 36")

The amendments to IAS 36 restrict the requirement to disclose the recoverable amount of an asset or CGU to periods in which an impairment loss has been recognized or reversed. The amendments also expand and clarify the disclosure requirements applicable when an asset or CGU's recoverable amount has been determined on the basis of fair value less cost of disposal.

New Standards Not Yet Adopted

Effective for annual periods beginning on or after January 1, 2016

IFRS 11, *Accounting for Acquisitions of Interests in Joint Operations*

Amended to provide specific guidance on accounting for the acquisition of an interest in a joint operation that is a business.

IFRS 14, *Regulatory Deferral Accounts*

IFRS 14 is a new standard to specify the financial reporting requirements for regulatory deferral account balances that arise when an entity provides goods or services to customers at a price or rate that is subject to rate regulation.

IAS 16 & IAS 38, *Clarification of Acceptable Methods of Depreciation and Amortization*

Amended to (i) clarify that the use of a revenue-based depreciation and amortization method is not appropriated, and (ii) provide a rebuttable presumption for intangible assets.

IAS 27, *Equity Method in Separate Financial Statements*

IAS 27 is amended to restore the option to use the equity method to account for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements.

IAS 1, *Presentation of Financial Statements*

Amendments IAS 1 as part of overall disclosure initiative to improve the effectiveness of disclosure in financial statements.

Effective for annual periods beginning on or after January 1, 2017

IAS 12, *Income Taxes*

Amendments to IAS 12 to clarify the recognition of a deferred tax asset for unrealized losses.

Effective for annual periods beginning on or after January 1, 2018

IFRS 9, *Financial Instruments – Classification and Measurement*

IFRS 9 is a new standard on financial instruments that will replace IAS 39, *Financial Instruments: Recognition and Measurement.*

IFRS 9 addresses classification and measurement of financial assets and financial liabilities as well as derecognition of financial instruments. IFRS 9 has two measurement categories for financial assets: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit or loss.

Effective for annual periods beginning on or after January 1, 2019

IFRS 16, *Leases*

IFRS 16 is a new standard that sets out the principles for recognition, measurement, presentation, and disclosure of leases including guidance for both parties to a contract, the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting model.

OTHER MD&A DISCLOSURE REQUIREMENTS

Summary of Outstanding Share Data

The Company's issued and outstanding share capital as at the date of this report is as follows:
(1) Authorized: Unlimited common shares without par value.
(2) As at the date of this MD&A, the Company has 35,511,153 common shares, and 1,500,000 options issued and outstanding. The Company also has 19,555,250 warrants outstanding.

RISKS AND UNCERTAINTIES

The Company is engaged in the exploration and development of mineral properties. These activities involve a high degree of risk which, even with a combination of experience, knowledge and careful evaluation, may not be overcome. Consequently, no assurance can be given that commercial quantities of minerals will be successfully found or produced.

The Company has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many common risks to new and developing enterprises, including under-capitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a positive return on shareholders' investment.

The Company has no source of operating cash flow and no assurance that additional funding will be available to it for further exploration and development of its projects when required. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of its properties.

The Company's property interests are located in remote, undeveloped areas and the availability of infrastructure such as surface access, skilled labour, fuel and power at an economic cost, cannot be assured. These are integral requirements for exploration, development and production facilities on mineral properties. Power may need to be generated on site.

The mineral industry is intensely competitive in all its phases. The Company competes with many other mineral exploration companies who have greater financial resources and technical capacity.

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

ADDITIONAL INFORMATION

Additional information about the Company is available for viewing on SEDAR at www.sedar.com.